

RESOLUTION GRANTING THIRD ROUND SUBSTANTIVE CERTIFICATION #26-09

City of Orange Township, Essex County

WHEREAS, the City of Orange Township, Essex County, petitioned the Council on Affordable Housing (COAH) for third round substantive certification of a Housing Element and Fair Share Plan addressing its total 1987-2018 affordable housing obligation on December 31, 2008; and

WHEREAS, Orange's petition was deemed complete on May 18, 2009; and

WHEREAS, Orange published notice of its petition in the *Star Ledger* on May 28, 2009, which is a newspaper of general circulation within the county, pursuant to N.J.S.A. 52:27D-313 and N.J.A.C. 5:96-3.5; and

WHEREAS, no objections to the plan were received by COAH during the 45-day objection period, which ended July 12, 2009; and

WHEREAS, Orange has a Fair Share Obligation of 569 units, which consists of a 469-unit rehabilitation share, a 0-unit prior round obligation, and a 100-unit projected growth share obligation; and

WHEREAS, Orange's Fair Share Plan addresses its rehabilitation share of 469 units and its 100-unit projected growth share obligation; and

WHEREAS, Orange's plan addresses its 469-unit rehabilitation share with 27 credits for units rehabilitated through the Orange Neighborhood Preservation Program, 51 credits for units rehabilitated through the Essex County Home Improvement Program, and 391 new construction credits for existing affordable units; and

WHEREAS, Orange's plan proposes to address its 100-unit projected growth share obligation with 25 age-restricted rental units in the Central Orange Redevelopment Area at the Grand Central Senior Housing development, 62 family rental units in the Central Orange Redevelopment Area at the Walter G. Alexander site, four family sale units and four family rental units in the Central Orange Redevelopment Area at the Churchview development, and nine supportive and special needs bedrooms at the Start Easy Eagle Development (SEED) group home; and

WHEREAS, pursuant to N.J.A.C. 5:97-3.2(a)4, Orange has provided an implementation schedule that demonstrates a realistic opportunity and sets forth a timetable for the submittal of all information and documentation required by N.J.A.C. 5:97-6.6 for the three developments to be located in the Central Orange Redevelopment Area and for the SEED group home; and

WHEREAS, pursuant to N.J.A.C. 5:96-6.2(a)2, on July 24, 2009 COAH issued a Compliance Report (attached as Exhibit A and incorporated by reference herein) recommending approval of Orange's petition for third round substantive certification; and

WHEREAS, there was a 14-day period to submit comments to the COAH Compliance Report pursuant to N.J.A.C. 5:96-6.2(b) during which COAH received no comments.

NOW THEREFORE BE IT RESOLVED that the Housing Element and Fair Share Plan submitted by the City of Orange Township comports to the standards set forth at N.J.S.A. 52:27D-314 and meets the criteria for third round substantive certification pursuant to N.J.A.C. 5:96-6.3; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(a) and after having reviewed and considered all of the above, COAH hereby grants third round substantive certification to the City of Orange Township; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(e), Orange shall adopt all implementing Fair Share Ordinances within 45 days of the grant of substantive certification; and

BE IT FURTHER RESOLVED that if Orange fails to timely adopt its Fair Share Ordinances, COAH's grant of substantive certification shall be void and of no force and effect; and

BE IT FURTHER RESOLVED that Orange shall submit all Fair Share Ordinances to COAH upon adoption; and

BE IT FURTHER RESOLVED that Orange shall submit to COAH an Administrative Agent designation form identifying the administrative agent for existing affordable units within 45 days of the grant of substantive certification; and

BE IT FURTHER RESOLVED that Orange shall submit an Affirmative Marketing Plan for COAH's approval within 45 days of the grant of substantive certification, which must be adopted by resolution by the City within 45 days of COAH's approval and submitted to COAH upon adoption; and

BE IT FURTHER RESOLVED that Orange shall comply with COAH monitoring requirements as set forth in N.J.A.C. 5:96-11, including reporting Orange's actual growth pursuant to N.J.A.C. 5:97-2.5; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-10.1, COAH shall conduct biennial plan evaluations upon substantive certification of Orange's Housing Element and Fair Share Plan to verify that the construction or provision of affordable housing has been in

proportion to the actual residential growth and employment growth in the municipality and to determine that the mechanisms addressing the projected growth share obligation continue to present a realistic opportunity for the creation of affordable housing; and

BE IT FURTHER RESOLVED that if upon any biennial review the difference between the number of affordable units constructed or provided in Orange and the number of units required pursuant to N.J.A.C. 5:97-2.5 results in a pro-rated production shortage of 10 percent or greater, the City is not adhering to its implementation schedule pursuant to N.J.A.C. 5:97-3.2(a)4, or the mechanisms addressing the projected growth share obligation no longer present a realistic opportunity for the creation of affordable housing, COAH may direct Orange to amend its plan to address the shortfall; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:97-2.5(e), if the actual growth share obligation determined is less than the projected growth share obligation, Orange shall continue to provide a realistic opportunity for affordable housing to address the projected growth share; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(b), Orange's substantive certification shall remain in effect until December 31, 2018; and

BE IT FURTHER RESOLVED that any changes to the facts upon which this substantive certification is based or any deviations from the terms and conditions of this substantive certification which affect the ability of Orange to provide for the realistic opportunity of its fair share of low and moderate income housing and which the City fails to remedy, may render this certification null and void.

I hereby certify that this resolution was duly adopted by the Council on Affordable Housing at its public meeting on August 12, 2009.

A handwritten signature in cursive script, reading "Reneé Reiss".

Reneé Reiss, Secretary, Council on Affordable Housing



***Council on Affordable Housing
Compliance Report
July 24, 2009***



Municipality: City of Orange Township
County: Essex County

COAH Region: 2
Planning Area: 1
Special Resource Area: None

Housing Element and Fair Share Plan Adopted: 11/19/2008
Petition for 3rd Round Substantive Certification: 12/31/2008
Completeness Determination: 5/18/2009
Date of Publication: 5/28/2009

Objections Received: No

Petition Includes:

VLA: No
GPA: No
Waiver: No

Date of Site Visit: 8/3/2009

History of Approvals:

	COAH	JOC	N/A
First Round:			X
Second Round:			X
Extended Certification:			X

Plan Preparer: Donald Meisel, P.P. – Principal Planner, City of Orange Township

Municipal Housing Liaison: Wendy Brown - Senior Planning Aide

Recommendation: Grant Substantive Certification

SUMMARY OF FAIR SHARE OBLIGATION

Rehabilitation Share	469
Prior Round Obligation	0
Projected Growth Share Obligation	100

ACTUAL GROWTH and GROWTH SHARE through September 30, 2008¹

Res Units (#)	Actual Res Growth Share	Jobs (#)	Actual Non-Res Growth Share	Actual TOTAL Growth Share
165	33 units	128	8 units	41 units

COMPLIANCE PLAN SUMMARY

Obligation	Credit/ Mechanism Type	# Units Completed	# Units Proposed	TOTAL
Rehabilitation: 469 units				
Credits	Post-April 1, 2000	78		78
	New Construction	391		391
Rehabilitation Subtotal				469
NEW CONSTRUCTION				
Prior Round: 0 units				
Prior Round Subtotal				NA
Growth Share: 100 units				
Proposed Mechanisms	Redevelopment		95	95
	Supportive/Special Needs Housing		9	9
Growth Share Subtotal				104
Surplus				4

¹ This growth share number does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.4; therefore, the actual growth share may vary.

I. HOUSING ELEMENT

Pursuant to N.J.S.A. 40:55D-28(b), the Housing Element is a required section of the Municipal Master Plan. The Housing Element must be designed to achieve the goal of access to affordable housing to meet existing and future housing needs, with special attention given to low- and moderate-income households. The housing needs analysis must include demographic information on existing and projected housing stock and employment characteristics, a quantification of low- and moderate-income housing need, and a consideration of the lands within the municipality that are most appropriate to accommodate such housing. Orange's Housing Element includes sufficient information regarding housing stock, demographic and employment characteristics and population trends pursuant to N.J.S.A. 52:27D-310.

Under N.J.A.C. 5:97-2.1(b), the Housing Element must also set forth the municipality's affordable housing fair share obligation, which is the sum of the rehabilitation share, the prior round obligation and the growth share.

A. Rehabilitation Share

The rehabilitation share is the number of existing housing units within a municipality as of April 1, 2000, that are both deficient and occupied by households of low or moderate income. As indicated in Appendix B of N.J.A.C. 5:97, Orange has a rehabilitation share of 469 units.

B. Prior Round Obligation

The prior round obligation is the cumulative 1987-1999 new construction obligation provided in Appendix C of N.J.A.C. 5:97. Orange has a prior round obligation of 0 units.

C. Projected Growth Share

The projected growth share is initially calculated based on household (residential) and employment (non-residential) 2004-2018 projections. Pursuant to Appendix F of N.J.A.C. 5:97, Orange has a residential projection of 396 units and a non-residential

projection of 325 jobs, which results in an initial projected growth share obligation of 100 affordable units. Orange's total projected growth share for the period 1999-2018 is therefore 100 affordable units consisting of a 79.2-unit projected residential growth share and a 20.3-unit projected non-residential growth share.²

SUMMARY OF FAIR SHARE OBLIGATION

Rehabilitation Share	469
Prior Round Obligation	0
Projected Growth Share Obligation (Net)	100

II. FAIR SHARE PLAN

A Fair Share Plan, as required under N.J.A.C. 5:97-3.1, describes the completed or proposed mechanisms and funding sources, if applicable, that will be utilized to specifically address a municipality's rehabilitation share, prior round obligation, and growth share obligation and includes the draft ordinances necessary to implement that plan. Affordable housing must be provided in direct proportion to the growth share obligation generated by the actual growth.

Orange's Fair Share Plan, and the supporting documentation incorporated by reference therein, address the requirements of N.J.A.C. 5:97-3.1 as follows:

A. Plan to Address Rehabilitation Share

Rehabilitation Share Credits

Orange is requesting credit for 78 units rehabilitated subsequent to April 1, 2000. In accordance with N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

² Pursuant to N.J.A.C. 5:97-2.2(d), Orange's residential projection of 369 is divided by 5 to yield 79.2 units and the non-residential projection of 325 jobs is divided by 16 to yield 20.3 units. Orange's total projected growth share is therefore 100 units (79.2 + 20.3).

Rehabilitation Credits

Rehabilitation Program	# Credits
Orange Neighborhood Preservation Program	27
Essex County Rehabilitation Program	51
TOTAL	78

New Construction Credits

Pursuant to N.J.A.C. 5:97-6.2(b)7, Orange is utilizing units eligible to receive new construction credit to address the remaining 391 units of its rehabilitation share. In accordance with N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

New Construction Credits to Address Rehabilitation Share

Project/Development Name	Year Built	Type of Affordable Unit	# Units/Bedrooms
The Berkeley	1998	Family rental	50
Valley View	1994	Family rental	24
Lincoln Avenue Apartments	1996	Family rental	68
Lincoln Court	1998	Family rental	84
Tri Corner Homes	2008	Family rental	30
Millennium Homes	2005	Family rental	38
South Essex Court	2006	Family rental	75
182 Pierson Street	1990	Family rental	6
Cerebral Palsy of North Jersey – Roberts Road	2006	S/SN housing	6
ARC of Essex County – Seven Oaks Road	1998	S/SN housing	3
ARC of Essex County – Orange Community Residence	1980	S/SN housing	7
TOTAL			391

B. Plan to Address Prior Round Obligation

Orange has a prior round obligation of 0 units.

C. Plan to Address Projected Growth Share

Growth Share Obligation Credits

Orange's Housing Element and Fair Share Plan does not include any growth share obligation credits.

Proposed Affordable Housing Mechanisms

Orange proposes to address its 100-unit growth share obligation through the following mechanisms:

Central Orange Redevelopment Area – Grand Central Senior Housing

Orange will rely on the Grand Central Senior Housing development in the Central Orange Redevelopment Area to address 25 units of its projected growth share obligation. Although the development will consist of 70 affordable age-restricted rental units, pursuant to N.J.A.C. 5:97-3.10(c)2, only 25 of these units may be applied toward the growth share obligation.

Orange will follow an implementation schedule for the development of Grand Central Senior Housing. Pursuant to N.J.A.C. 5:97-3.2(a)4, Orange has provided an implementation schedule that demonstrates a realistic opportunity and sets forth a timetable for the submittal of all information and documentation required by N.J.A.C. 5:97-6.7.

Grand Central Senior Housing will be developed by RPM Development Group, a private affordable housing developer, and will be located at 219 South Center Street (block 116, lot 33.A), which is within the Central Orange Redevelopment Area. The Central Orange Redevelopment Area was declared an Area in Need of Redevelopment by Orange's Municipal Council on November 17, 2003 and a revised Redevelopment Plan was most recently adopted on May 25, 2009.

The site is owned by Grand Central Senior Housing, L.P., a subsidiary of RPM, which has been designated by Orange as the redeveloper for this parcel. The project received site plan approval from the Orange Planning Board on April 7, 2009 and is the subject of a PILOT agreement with the City. The project will receive additional funding from Essex County, the Federal Home Loan Bank of New York, Balanced Housing, and the developer has applied to receive Low Income Housing Tax Credits. Additionally, 10 units will be financed through Regional Contribution Agreement (RCA) funds. The units financed through RCA funds are not eligible to receive COAH credit. The developer does not anticipate requiring a financial contribution from Orange's affordable housing trust fund in support of the project.

The site is surrounded by commercial and residential uses. There are no known environmental constraints on the site that would restrict the anticipated development and the site contains adequate public water and sewer to support the development. The site is located entirely in Planning Area 1.

Orange's mechanism checklist form includes a timetable for each step of the development process in accordance with N.J.A.C. 5:97-6.7(d)1. This timetable indicates that construction on the development is scheduled to begin in September 2009 and will be completed in November 2010. A letter from Donald Meisel, Principal Planner for Orange dated July 22, 2009 indicates that RPM anticipates receiving Low Income Tax Credits for the project in the summer of 2009 and will begin construction within 90 days of receiving the tax credits. Orange has provided COAH with the documentation required pursuant to N.J.A.C. 5:97-6.7 in accordance with its implementation schedule.

Central Orange Redevelopment Area – Walter G. Alexander Site

Orange will rely on a proposed development by the Orange Housing Authority in the Central Orange Redevelopment Area to address 65 units of its projected growth share obligation.

Orange will follow an implementation schedule for the redevelopment of the Walter G. Alexander site. Pursuant to N.J.A.C. 5:97-3.2(a)4, Orange has provided an implementation schedule that demonstrates a realistic opportunity and sets forth a

timetable for the submittal of all information and documentation required by N.J.A.C. 5:97-6.7.

The proposed development will occur at 105 Wilson Place (block 106, lot 1) on a three acre parcel presently owned by the Orange Housing Authority that currently houses the Walter G. Alexander housing complex, which is anticipated to be demolished at the end of 2009. The Central Orange Redevelopment Area was declared an Area in Need of Redevelopment by Orange's Municipal Council on November 17, 2003 and a revised Redevelopment Plan was most recently adopted on May 25, 2009. It is expected that the Orange Housing Authority will be designated by Orange as the redeveloper of this parcel on August 5, 2009 and that a redeveloper's agreement will be entered into on this same date. Low Income Housing Tax Credits are expected to serve as the primary funding source for the project, with other potential funding sources to include the American Recovery and Reinvestment Act, the Federal Home Loan Bank of New York, Balanced Housing and HOME funds from the Department of Community Affairs, and replacement housing funds held by the Orange Housing Authority. The developer does not anticipate requiring a financial contribution from Orange's affordable housing trust fund in support of the project.

Redevelopment of the site is expected to occur in two phases, with Phase I producing 27 affordable family rental units and Phase II producing 35 affordable family rental units, for a total of 62 affordable family rental units. 38 affordable age-restricted rental units will also be developed in Phase I, however, pursuant to N.J.A.C. 5:97-3.10(c)2, these units may not be applied toward Orange's growth share obligation.

The site is surrounded predominantly by single- and multi-family dwellings and a public elementary school. There are no known environmental constraints on the site that would preclude the anticipated development. Orange is currently constructing a new pumping station that will provide sufficient water to the site. The pumping station is anticipated to be complete by the time construction on the Walter G. Alexander site begins. The site is located entirely in Planning Area 1.

Orange's mechanism checklist form includes a timetable for each step of the development process in accordance with N.J.A.C. 5:97-6.7(d)1. This timetable indicates that construction on Phase I of the project is scheduled to begin in April 2010 and will be completed in October 2011 and that construction on Phase II of the project is scheduled to begin in September 2011 and will be completed in April 2012. Orange has provided COAH with the documentation required pursuant to N.J.A.C. 5:97-6.7 in accordance with its implementation schedule.

Central Orange Redevelopment Area - Churchview

Orange will rely on the proposed Churchview project in the Central Orange Redevelopment Area to address eight units of its projected growth share obligation.

Orange will follow an implementation schedule for the development of Churchview. Pursuant to N.J.A.C. 5:97-3.2(a)4, Orange has provided an implementation schedule that demonstrates a realistic opportunity and sets forth a timetable for the submittal of all information and documentation required by N.J.A.C. 5:97-6.7.

Churchview will be located at 112-116 South Center Street (block 112, lots 2-4). The development will consist of four, two-family homes, totaling eight affordable units. All of the units in the development will be affordable. One unit in each home will be a for-sale unit, while the other unit in the home will be a rental unit. Churchview will be developed by HANDS, which owns the three parcels on which the development will occur. These parcels are located in the Central Orange Redevelopment Area and HANDS has been designated by Orange as the Redeveloper of these parcels. The project received site plan approval from the Orange Planning Board on June 10, 2009. The project is being funded by contributions from Essex County and the New Jersey Reinvestment Fund, as well as existing equity from HANDS and loans to cover construction costs. The developer does not anticipate requiring a financial contribution from Orange's affordable housing trust fund in support of the project.

The site is surrounded by residential uses and is adjacent to Mount Carmel Church. There are no known environmental constraints on the site that would restrict the

anticipated development and the site contains adequate public water and sewer to support the development. The site is located entirely in Planning Area 1.

Orange's mechanism checklist form includes a timetable for each step of the development process in accordance with N.J.A.C. 5:97-6.7(d)1. This timetable indicates that construction on the development was scheduled to begin in June 2009 and will be completed in December 2010. A letter from Donald Meisel, Principal Planner for Orange dated July 22, 2009 indicates that HANDS now anticipates receiving building permits for the project in September 2009, with construction to begin shortly thereafter. Orange has provided COAH with the documentation required pursuant to N.J.A.C. 5:97-6.7 in accordance with its implementation schedule.

Central Valley Redevelopment Area – Brass Company II

Orange proposes to utilize the Brass Company II development in the Central Valley Redevelopment Area to address eight units of its projected growth share obligation.

Brass Company II will be a 100 percent affordable development to be located at 400 South Jefferson Street, block 160, lots 1 and 15A, and anticipated to consist of eight affordable family rental units and will be an artist community. The project will be developed by Housing and Neighborhood Development Services, Inc. (HANDS), a non-profit community development corporation located in Orange.

COAH is unable to grant new construction credit for the eight affordable units to be created at Brass Company II, as the project does not meet COAH's affirmative marketing requirements. Upon completion, the project may however be eligible to receive rehabilitation credit.

Supportive/Special Needs Housing - Start Easy Eagle Development

Orange will rely on the Start Easy Eagle Development (SEED) proposed group home to address nine units of its projected growth share obligation.

Orange will follow an implementation schedule for the development of the SEED group home. Pursuant to N.J.A.C. 5:97-3.2(a)4, Orange has provided an implementation

schedule that demonstrates a realistic opportunity and sets forth a timetable for the submittal of all information and documentation required by N.J.A.C. 5:97-6.7.

SEED owns two existing, adjacent dwellings located at 449 Main Street (block 71, lot 31) and 16 Ridge Street (block 71, lot 1) that are proposed to be converted from their existing use as a boarding home into two group homes containing a total of nine bedrooms. The two dwellings are contiguous and the group homes will operate co-dependently.

The two properties are located in the C-1A and CDA zones, both of which permit group homes. The surrounding land uses consist of multi-family homes and apartment buildings and commercial uses. The parcels are served by public water and public sewer that are expected to accommodate the proposed uses. There are no known environmental impediments on the parcels. Both parcels are located entirely in Planning Area 1.

SEED has received \$560,000 in HOME funds from the Department of Community Affairs and \$1,301,539 in funding support from the New Jersey Housing Mortgage and Finance Agency, which will cover the entire anticipated project costs. A copy of SEED's development budget and operating expenses were provided with Orange's petition. The developer does not anticipate requiring a financial contribution from Orange in support of the project.

Orange's mechanism checklist form includes a timetable for each step of the development process in accordance with N.J.A.C. 5:97-6.7(d)1. This timetable indicates that construction on the group homes will begin in December 2009 and that they will be occupied in March 2010. Orange has provided COAH with the documentation required pursuant to N.J.A.C. 5:97-6.7 in accordance with its implementation schedule.

Proposed Growth Share Affordable Housing Mechanisms

Type/Name of Affordable Housing Mechanism	Type of Affordable Unit	# Units/Bedrooms	Bonus Type	# Bonuses	Total Units/Bedrooms + Bonuses
Central Orange Redevelopment Area – Grand Central Senior Housing	Age-restricted rental	25	-	0	25
Central Orange Redevelopment Area – Walter G. Alexander Site	Family rental	62	-	0	62
Central Orange Redevelopment Area – Churchview	Family rental	4	-	0	4
Central Orange Redevelopment Area – Churchview	Family sale	4	-	0	4
Central Valley Redevelopment Area – Brass II	Family rental	0	-	0	0
Start Easy Eagle Development Group Home	S/SN housing	9	-	0	9
TOTALS		104		0	104

Growth Share Parameters

Orange has satisfied the applicable growth share parameters as follows:

Growth Share Rental Obligation³: 25 Units

Development/Project Name	Type of Affordable Unit	# Units
Central Orange Redevelopment Area – Grand Central Senior Housing	Age-restricted rental	25
Central Orange Redevelopment Area – Churchview	Family rental	4
Central Orange Redevelopment Area – Walter G. Alexander Site	Family rental	62
Start Easy Eagle Development Group Home	S/SN housing	9
TOTAL		100

Growth Share Family Rental Requirement⁴: 13 Units

Development/Project Name	Type of Affordable Unit	# Units
Central Orange Redevelopment Area – Walter G. Alexander Site	Family rental	62
Central Orange Redevelopment Area – Churchview	Family rental	4
TOTAL		66

Growth Share Minimum Family Requirement⁵: 50 Units

Development/Project Name	Type of Affordable Unit	# Units
Central Orange Redevelopment Area – Churchview	Family rental	4
Central Orange Redevelopment Area – Churchview	Family sale	4
Central Orange Redevelopment Area – Walter G. Alexander Site	Family rental	62
TOTAL		70

³ Projected Growth Share Rental Obligation: $.25(\text{Projected Growth Share})$ or $.25(100)=25$ units N.J.A.C. 5:97-3.10(b)3

⁴ Projected Growth Share Family Rental Requirement: $.5(\text{Projected Growth Share Rental Requirement})$ or $.5(25)=13$ units N.J.A.C. 5:97-3.4(b)

⁵ Projected Growth Share Family Requirement: $.5(\text{Units Addressing the Growth Share Obligation})$ or $.5(100)=50$ units N.J.A.C. 5:97-3.9

Very Low Income Minimum Requirement⁶: 13 Units

Development/Project Name	Type of Affordable Unit	# Units
Central Orange Redevelopment Area – Walter G. Alexander Site	Family rental	6
Start Easy Eagle Development Group Home	S/SN housing	9
TOTAL		15

Age-Restricted Maximum⁷: 25 Units

Development/Project Name	Type of Affordable Unit	# Units
Central Orange Redevelopment Area – Grand Central Senior Housing	Age-restricted rental	25
TOTAL		25

Actual Growth Share Obligation

The actual growth share obligation will be based on permanent certificates of occupancy issued within the municipality for market-rate residential units and newly constructed or expanded non-residential developments in accordance with Appendix D of N.J.A.C. 5:97. At plan evaluation review pursuant to N.J.A.C. 5:96-10, COAH will compare the actual growth share obligation with the actual number of affordable units constructed.

The New Jersey Department of Community Affairs (NJ DCA) *Construction Reporter* indicates that between January 1, 2004 and September 30, 2008, Orange issued certificates of occupancy for 165 housing units and for the non-residential square footage equivalent of 128 jobs, yielding an actual growth share obligation through September 30, 2008, of 41 affordable units.⁸

⁶ Growth Share Very Low Income Requirement: $.13(\text{Units Addressing the Growth Share Obligation})$ or $.13(100) = 13$ units pursuant to P.L.2008, c.46

⁷ Projected Growth Share Age Restricted Maximum: $.25(\text{Projected Growth Share})$ or $.25(100) = 25$ units N.J.A.C. 5:97-3.10(c)2

⁸ The number of residential COs (165) is initially divided by 5 to yield 33 units and the number of jobs (128) is initially divided by 16 to yield 8 units. Orange's total actual growth share is therefore 41 units (33 + 8). **Note:** This number does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.4; therefore, the actual growth share may vary.

D. Summary of Plan to Address Fair Share Obligation

REHABILITATION SHARE SUMMARY

Rehabilitation Share: 469 Units

Program Name	Credits
Orange Neighborhood Preservation Program	27
Essex County Home Improvement Program	51
New Construction Credits	391
Subtotal	469

PRIOR ROUND SUMMARY

Prior Round Obligation: 0 Units

GROWTH SHARE SUMMARY

Projected Growth Share Obligation: 100 Units

	Name of Mechanism	# Units/ Bedrooms	Bonus Type	# Bonuses	Total Units/Bedrooms + Bonuses
Proposed Mechanisms	Central Orange Redevelopment Area – Grand Central Senior Housing	25	-	-	25
	Central Orange Redevelopment Area – Orange Housing Authority	62	-	-	62
	Central Orange Redevelopment Area - Churchview	8	-	-	8
	Central Valley Redevelopment Area - Brass Company II	0	-	-	0
	Start Easy Eagle Development Group Home	9	-	-	9
	Subtotal	104		-	
	TOTAL				104
	Surplus/Shortfall				4

III. FAIR SHARE DOCUMENT REVIEW

A. Development Fee Ordinance

Orange submitted a draft amended development fee ordinance for COAH's review and approval with its third round petition. The amended development fee ordinance will be reviewed by COAH in a separate report.

B. Third Round Spending Plan

A third round spending plan was submitted by Orange with the City's third round petition for COAH's review and approval. The spending plan will be reviewed by COAH in a separate report. As indicated above, the mechanisms included in the City's third round petition are not relying on financial support from Orange's affordable housing trust fund.

C. Affordable Housing Ordinance/Affordable Housing Administration

Orange has submitted a draft affordable housing ordinance that comports with the requirements of the Uniform Housing Affordability Controls (UHAC), N.J.A.C. 5:80-26.1 *et seq.*, which was amended on December 20, 2004. The draft proposed ordinance has been amended to comply with the Barrier Free Subcode of the State Uniform Construction Code Act (N.J.S.A. 52:27D-119 *et seq.*) and the accessibility requirements of N.J.S.A. 52:27D-123.15. The draft ordinance must be adopted within 45 days of COAH's grant of substantive certification and submitted to COAH immediately upon adoption.

An ordinance establishing the position of a municipal housing liaison and a resolution appointing a municipal housing liaison were adopted by Orange on September 5, 2006.

Orange is responsible for the continued re-sale and re-rental of existing affordable units and the initial sale and rental of newly constructed affordable units within the City and must identify the administrative entity for that purpose.

D. Affirmative Marketing Plan

Orange must submit an affirmative marketing plan that comports with the requirements of the UHAC and ensures the units in the City's 1987-2018 Fair Share Plan and all future affordable housing units will be affirmatively marketed to the region upon initial sale/rental and re-sale/re-rental within 45 days of the grant of substantive certification. Once approved by COAH, the affirmative marketing plan must be adopted by resolution by the City within 45 days of COAH's approval and submitted to COAH.

IV. MONITORING

Orange must comply with COAH monitoring requirements as set forth in N.J.A.C. 5:96-11, including reporting the municipality's actual growth pursuant to N.J.A.C. 5:97-2.5. As indicated above, credits for built units will be validated and verified by COAH staff during monitoring prior to the first biennial plan evaluation. It should be noted that credits for affordable housing programs and/or affordable units must be in compliance with N.J.A.C. 5:97-4. If the units are determined not to be eligible for credit, COAH will notify Orange in writing and the City may be directed to amend its certified plan to address the shortfall.

Pursuant to N.J.A.C. 5:96-10.1, COAH will conduct biennial plan evaluations upon substantive certification of Orange's Housing Element and Fair Share Plan. The purpose of the plan evaluation is to verify that the construction or provision of affordable housing has been in proportion to the actual residential growth and employment growth in the municipality and to determine that the mechanisms addressing the projected growth share obligation continue to present a realistic opportunity for the creation of affordable housing. If upon any biennial review the difference between the number of affordable units constructed or provided in Orange and the number of units required pursuant to N.J.A.C. 5:97-2.5 results in a pro-rated production shortage of 10 percent or greater, Orange is not adhering to its implementation schedule pursuant to N.J.A.C. 5:97- 3.2(a)4, or the mechanisms addressing the projected growth share obligation no longer present a

realistic opportunity for the creation of affordable housing, the Council may direct the municipality to amend its plan to address the shortfall.

V. RECOMMENDATION

COAH staff recommends that Orange be granted third round substantive certification. Orange must adopt all necessary implementing ordinances within 45 days of the grant of substantive certification and submit certified copies of the adopted ordinances to COAH within seven days of the adoption. Orange must additionally submit COAH's Administrative Agent Designation Form identifying the administrative agent for existing affordable units within 45 days of the grant of substantive certification. Orange must also submit an Affirmative Marketing plan within 45 days of the grant of substantive certification for COAH's approval, which must be adopted by resolution by the City within 45 days of COAH's approval and submitted to COAH.